

STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
SECURITIES DIVISION

IN THE MATTER OF DETERMINING ) S-02-350-03-SC01  
Whether there has been a violation of the )  
Securities Act of Washington by: ) STATEMENT OF CHARGES AND NOTICE  
 ) OF INTENT TO ENTER ORDER TO CEASE  
 ) AND DESIST AND INTENT TO IMPOSES  
Success Concepts Enterprises, Inc. dba ) FINES  
Success POS; David B. Tarr; World )  
Business Consultants, Inc.; Christopher ) Case Number S-02-350  
W. Jones; their agents and employees;

Respondents

THE STATE OF WASHINGTON TO: Success Concepts Enterprises, Inc.  
dba Success POS  
1280 SW 36<sup>th</sup> Ave Ste, 303  
Pompano Beach, Florida 33069  
  
David B. Tarr  
Lauderdale Lakes, Florida  
  
World Business Consultants, Inc.  
1250 Hallandale Beach Boulevard, Ste 505  
Hallandale, Florida 33009  
  
Christopher W. Jones  
Tamarac, Florida

**STATEMENT OF CHARGES**

Please take notice that the Securities Administrator of the State of Washington has reason  
to believe that Respondents, Success Concepts Enterprises, Inc. dba Success POS; David B.  
Tarr; World Business Consultants, Inc.; and Christopher W. Jones have each violated the  
Securities Act of Washington and that their violations justify the entry of an order of the

STATEMENT OF CHARGES AND NOTICE OF  
INTENT TO ENTER ORDER TO CEASE AND DESIST  
AND INTENT TO IMPOSE FINES

1

DEPARTMENT OF FINANCIAL INSTITUTIONS  
Securities Division  
PO Box 9033  
Olympia, WA 98507-9033  
360-902-8760

1 Securities Administrator under RCW 21.20.390 against each to cease and desist from such  
2 violations.

3  
4 The Securities Administrator finds as follows:

5 **TENTATIVE FINDINGS OF FACT**

6 **PARTIES**

7 **I.**

8  
9 Success Concept Enterprises, Inc (“Success POS”) is a Florida Corporation with its  
10 principal place of business at 1280 SW 35<sup>th</sup> Ave. Suite 303, Pompano Beach, Florida 33069.  
11 Success Concepts Enterprises, Inc. does business as Success POS.

12 **II.**

13 David B. Tarr (“Tarr”) is the principal owner of Success Concepts Enterprises, Inc. Tarr  
14 is a resident of Lauderdale Lakes, Florida.

15 **III.**

16 World Business Consultants, Inc. (“WBCI”) is a Florida corporation and was a sales  
17 office for Success POS at all times relevant to this matter. WBCI’s sole client was Success POS.  
18

19 **IV.**

20 Christopher W. Jones (“Jones”) was a salesperson for WBCI at all times relevant to this  
21 matter. Jones is a resident of Tamarac, Florida.

22 **NATURE OF THE OFFERING**

23 **V.**

24 1. On March 14, 2002, Success POS filed a Business Opportunity Application  
25 (“Application”) with the Securities Division. In the Disclosure Document provided with the

1 Application, Success POS describes its business opportunity as the ability to participate in the  
2 electronic point of sale market. Success POS states that the purchaser will operate the business  
3 and use purchased items as the purchaser sees fit; Success POS will not interfere in the day-to-  
4 day operation of the business. The Application does not mention locating or management  
5 services. The contract attached to the Application briefly mentions a Management Services  
6 Agreement, but Success POS makes no attempt to describe this agreement and the agreement  
7 itself was not included as part of the Application.  
8

9 2. In April 2002, a Washington resident began receiving unsolicited telephone calls  
10 from various representatives of Success POS who were employed by WBCI. These  
11 representatives stated that they were offering a Business Opportunity, whereby the purchaser  
12 would purchase point of sale terminals ("POS terminals"). They represented that they were  
13 registered under the Business Opportunity Fraud Act, RCW 19.110, to sell Business  
14 Opportunities in the State of Washington. On April 5, 2002, an employee of WBCI faxed a copy  
15 of the Success POS disclosure document to the Washington resident. The Washington resident  
16 declined to purchase the Business Opportunity at that time.  
17

18 3. On May 6, 2002, the Securities Division approved the Application for Success  
19 POS and issued Registration number 70012101. This registration was valid from May 6, 2002  
20 until May 6, 2003.  
21

22 4. In September 2002, the same Washington resident began receiving unsolicited  
23 electronic mail messages from Jones regarding a potential investment opportunity. Jones stated  
24 that he worked for WBCI, a consulting firm that provided telemarketing services for Success  
25 POS. Jones stated that Tarr was the president of Success POS.

1           5.       The electronic mail messages stated that the investment opportunity was paying  
2 monthly returns of 3% to 6%. The Washington resident called the telephone number that had  
3 been provided.

4           6.       On September 13, 2002, a second Washington resident contacted Jones. This  
5 Washington resident was told that the investment opportunity involved the purchase of point of  
6 sale terminals ("POS terminals"). A purchaser was required to purchase at least five POS  
7 terminals, which would equal a unit. Each unit would cost \$12,500. Jones represented that the  
8 Washington resident could purchase five units for a discounted price of \$50,000.

9           7.       Jones stated that the investment opportunity was completely passive for the  
10 purchaser. Jones stated that Success POS handled placing the POS terminals at profitable  
11 locations, the bookkeeping and accounting services for the purchaser, and setting up the account  
12 for the owner of the location. Success POS even guaranteed that they would buy back each POS  
13 terminal at the end of a three year commitment. Jones stated that once the purchase had been  
14 made, the purchaser could just collect the profits from Success POS. Success POS handled  
15 every other aspect of the investment.

16           8.       Jones claimed that each machine would produce a monthly income of \$80, so for  
17 five units, 25 POS terminals, a purchaser would earn \$2000 per month, or \$24,000 per year.  
18 Jones stated that the poorest performing machine would generate \$1250 per month and that he  
19 was not aware of any machine generating less than \$1000 per month.  
20  
21

## 22                                   **MISREPRESENTATIONS AND OMISSIONS**

### 23                                   VI.

24           9.       Success POS, Tarr, WBCI and Jones failed to disclose that the Commonwealth of  
25 Pennsylvania issued a Summary Order to Cease and Desist on July 1, 2002. This document

1 concluded that the program offered by Success POS was a security under the Pennsylvania  
2 Securities Act of 1972 and ordered Success Concepts Enterprises, Inc., dba Success POS to  
3 cease and desist from violating the Pennsylvania Securities Act.

4 10. Success POS, Tarr, WBCI and Jones failed to provide the potential purchaser with  
5 the data on which the earnings claims were based.  
6

## 7 **REGISTRATION STATUS**

### 8 **VII.**

9 Success Concepts Enterprises, Inc. dba Success POS was not registered to sell its  
10 securities in the state of Washington at the time of the offer and had not previously been so  
11 registered.

### 12 **VIII.**

13 World Business Consultants, Inc. was not registered as a broker-dealer in the state of  
14 Washington at the time of the offer and has not previously been so registered.

### 15 **IX.**

16 David B. Tarr was not registered as a securities salesperson or broker-dealer in the state  
17 of Washington at the time of the offer and has not previously been so registered.  
18

### 19 **X.**

20 Christopher W. Jones was not registered as a securities salesperson or broker-dealer in  
21 the state of Washington at the time of the offer and has not previously been so registered.  
22

23 Based upon the Tentative Findings of Fact, the following Conclusions of Law are made:

## 24 **CONCLUSIONS OF LAW**

### 25 **I.**

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1 The offer or sale of the passive investment program as described above constitutes the  
2 offer or sale of a security as defined in RCW 21.20.005(10) and (12), to wit: an investment  
3 contract.

4 II.

5 The offer or sale of said securities is in violation of RCW 21.20.140 because no  
6 registration or notification of claim of exemption for such offer or sale is on file with the  
7 Securities Administrator.  
8

9 III.

10 World Business Concepts, Inc. has violated RCW 21.20.040 by offering or selling said  
11 securities while not registered as a broker-dealer in the state of Washington.  
12

13 IV.

14 David Tarr has violated RCW 21.20.040 by offering or selling said securities while not  
15 registered as a securities salesperson or broker-dealer in the state of Washington.  
16

17 V.

18 Christopher W. Jones has violated RCW 21.20.040 by offering or selling said securities  
19 while not registered as a securities salesperson or broker-dealer in the state of Washington.  
20

21 VI.

22 The offer or sale of said securities was made in violation of RCW 21.20.010 because  
23 Respondents failed to provide full disclosure of material information. Failure to disclose this  
24 information made the facts disclosed misleading.

25 **NOTICE OF INTENT TO ORDER THE RESPONDENT TO CEASE AND DESIST**

STATEMENT OF CHARGES AND NOTICE OF  
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1 Based on the above Tentative Findings of Fact and Conclusions of Law, the Securities  
2 Administrator intend to order that Success Concepts Enterprises, Inc., David B. Tarr, World  
3 Business Consultants, Inc., Christopher W. Jones; their agents and employees each cease and  
4 desist from violations of RCW 21.20.140, RCW 21.20.040, and RCW 21.20.010.

### 6 7 **NOTICE OF INTENT TO IMPOSE FINES**

8 Based on the above Tentative Findings of Fact and Conclusions of Law, the Securities  
9 Administrator finds that Respondents have knowingly and recklessly violated the Securities Act  
10 and the Securities Administrator intends, pursuant to RCW 21.20.395(1), to order that  
11 Respondents, Success Concepts Enterprises, Inc., David B. Tarr, World Business Consultants,  
12 Inc., Christopher W. Jones, shall be jointly and severally liable for and shall pay a fine in the  
13 amount of \$5000.

### 14 15 **AUTHORITY AND PROCEDURE**

16 This Statement of Charges is entered pursuant to the provisions of RCW 21.20.390 and is  
17 subject to the provisions of RCW 34.05. The respondents, Success Concepts Enterprises, Inc.  
18 dba Success POS, David B. Tarr, World Business Consultants, Inc, and Christopher W. Jones,  
19 may each make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY  
20 TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this order.  
21

22 If a respondent does not request a hearing, the Securities Administrator intends to adopt  
23 the above Tentative Findings of Fact and Conclusions of Law as final, and enter a final order to  
24 cease and desist against that respondent and impose fines.

1 Dated this 26 day of August, 2003

2  
3  
4 

5 Deborah Bortner  
6 Securities Administrator

7 Approved by:

8 Presented by:

9 

10 Michael E. Stevenson  
11 Chief of Enforcement

12 

13 Susan H. Anderson  
14 Financial Legal Examiner